

# **INITIATIVE FOR CONSERVATION IN THE ANDEAN AMAZON**

## **Midyear Report**

### **1. PROJECT COVER SHEET**

**1.1 NAME OF THE PROJECT:** ADVANCING LANDSCAPES IN THE ANDEAN AMAZON (ASLAA)

**1.2. DATES (START/FINISH)**

AGREEMENT/ CONTRACT

Sun, 30/09/2012 - 00:00 to Tue, 29/09/2015 - 00:00

WORK PLAN PERIOD

Mon, 01/010/2014 - 00:00 to Sun, 29/09/2015 - 00:00

**1.3. PRIME PARTNER:** RAINFOREST ALLIANCE

**1.4. NAME OF PROGRAM MANAGER**

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**1.5. NAME OF AGREEMENT OFFICE REPRESENTATIVE OR CONTRACT**

OFFICE REPRESENTATIVE MONICA ROMO

**1.6. NAME OF ALTERNATE AOR OR COR:** MONICA SUQUILANDA

**1.7. MECHANISM NUMBER:** AID-OAA-A-11-00055

**1.8. OVERALL PROGRAM DESCRIPTION:** Our strategy is premised on addressing the principal threats to biodiversity and their drivers identified in two landscapes that have the most significant impact and can be countered directly given the experience of RA and its partners to optimize impacts locally. The threats include habitat degradation and loss due to wholesale deforestation or land-use conversion, while the drivers of these threats can be grouped into three areas: a) limited institutional capacity by local governments and communities for natural resource management; b) limited participation in and access to programs by local groups for resource management and sustainable production chains; and

c) weak organizational capacity and market linkages of local producers and operators to grow local economic opportunities. RA and its partners, AIDER and ECOLEX, designed this project to conserve biodiversity in two landscapes, Sucumbíos/Napo, Ecuador and Cusco/Madre de Dios, Peru. In Ecuador we work in the Cuyabeno Wildlife Reserve (CWR), the Limoncocha Biological Reserve (LBR) and the buffer zone of Sumaco Napo Galeras National Park (SNGNP). In Madre de Dios (MDD), we work in the district of Tambopata in the communities of Tres Islas (TI), Palma Real (PR), Infierno, Sonene, Puerto Arturo (PA), and Boca Pariamanu (BP). We also work with the Brazil nut gatherer associations RONAP, located alongside the interoceanic highway, and ASCART, in the Tambopata National Reserve. In Cusco, we work in La Convención and Calca Provinces. Within CWR, we work in the tourism area and with the Siona communities of Tarabeia, San Victoriano, and Puerto Bolívar, for a total of 130,000 ha. The LBR is located in the Shushufindi canton close to Yasuní National Park. In the buffer zone of SNGNP we work in the Hatun Sumaco parish, which includes the Hatun Sumaku, Wawa Sumaku, Wuamaní, Patco Sumaku, Pucuno Chico, Volcán Sumaku and Challuayacu indigenous communities. In Tambopata, we work with the Ese Ejas, Shipibos, Yine, Amahuaca, and Kicharunas ethnicities representing 75,000 ha approximately. In upper and middle Tambopata, we work with tourism operations representing approx. 3,000 ha. ASCART and RONAP manage a total combined forest concession area of approx. 70,000 ha. In La Convención Province we work in Quellouno and Echarate districts and in Calca Province in Yanatile district, within the Ivochote and Laco-Yavero watershed and cover 13,500 ha of the following cooperatives: Bioazul, Jose Olaya, Chaco Huayanay, Paquivo, Alto Urubamba, and Mateo Pumacahua and Asociacion de Productores Agropecuarios Los Angeles de Pachiri (APA Pachiri).

## **2. STRATEGY OVERVIEW**

### **2.1. INTERMEDIATE RESULTS**

#### **2.1.1 IR1 – Selected Landscapes Managed Sustainably**

Under AR1, sound landscape planning and use of sustainable natural resource management (NRM) practices, our main achievements are listed below.

*To work toward strengthening the capacity of local actors and government entities for NRM:*

- The Sustainable Landscapes Consortium (SL) completed the studies and conducted stakeholder validation of the Limits of Acceptable Change methodologies for Chunchu and Colorado clay licks, located in the Tambopata National Reserve (RNTAMB). Site plans can now be developed for these tourism attractions.
- In PR, 30 community members—nearly half of whom are women—began to implement their Tourism Strategy, using the CEFE (Business Training Economic Competencies) methodology. Building on this analysis PR is enhancing its local

model for offering community tourism services. PR plans to fund components of its strategy into the future with resources secured through an agreement with CONDOR Travel, increasing the economic viability of their new tourism focus beyond the SL project.

Under AR2, improved environmental governance, our main achievements are listed below.

*To work toward strengthening the capacity of local actors and government entities for NRM:*

- The Naranjilla Roundtable approved its 2015 Operational Plan, developed with SL. The plan optimizes the resources and efforts of 8 organizations to advance sustainable naranjilla production. Issues addressed include: strengthening the nascent naranjilla producers' association; researching enhanced plant varieties (INIAP); and monitoring residual pesticide levels (AGROCALIDAD).
- With SL technical inputs and facilitation, Wamaní developed and approved a control and surveillance system, a self-governance tool designed to halt deforestation and forest degradation and ensure compliance with laws and regulations. The Wamaní youth leadership group ASOCOSAKAWA will implement the system, which will be financed via the Socio Bosque (SB) Program. Leveraging local capacities and SB investment improves the prospects for long-term system implementation.
- SL enabled the new board of directors of Sani Isla Community to achieve formal registration and recognition under Ecuadorian law. This critical milestone enables the community to complete bank transactions and obtain credit and investment, including continued access to the SB Program.
- The external management agency of Sani Lodge secured – through donations, technical assistance and other in-kind investments – significant resources to enhance lodge operations. This is resulting in new boats and kayaks, improved kitchen facilities, construction of new cabins, development of a management plan for native forests, and an access road to the lodge.

*To improve local participation in accessing, using and managing natural resources and policies, laws, or agreements for management and administration:*

- The Ministry of Environment (MAE) independently evaluated 11 RPFC tourism service providers using the SL-developed Tourism Operations Manual: 8 providers surpassed the requirements to obtain the annual operating license. MAE's independent inspections—and the high marks obtained by local operators—are indicative of the potential for long-term adoption of the tool, and high rates of compliance with required BMP by local lodges.
- SL delivered practical training to 14 members of Hatun Sumaku Parish leadership on budget development and tracking; financial management; identifying funding

opportunities and project proposal development. 85% of participants enhanced their understanding of these issues as a result of the trainings.

Under AR3, improved sustainable livelihoods and ecosystem resilience, our main achievements are listed below.

*To improve understanding and application of best management practices, and increase weak market penetration and competitiveness:*

- In partnership with Galería Ecuador, SL designed nearly 50 new high-quality products with the 36 women of the Sani Warmi Association. The products are representative of their unique Amazonian identity and cultural heritage and enable the association to diversify its handicrafts offering and increase sales prices. Galería Ecuador is distributing these offerings in Quito, Guayaquil, Cuenca and Colombia.
- 13 Nature Guides in the RFPC improved their income by over 150% (25 USD per day pre-training; 44 USD post) and 11 found new job opportunities. The guides enhanced their incomes after completing SL-delivered training courses in 2012, enabling them to secure their guide licenses.
- SL support enabled naranjilla pilot farmers and the Wamaní youth leadership group ASOCOSAKAWA to promote their products and services at the Napo Biodiversity Trade Fair, gaining experience in marketing and promotion, and pursuing new business opportunities. As a result, ASOCOSAKAWA is preparing a service proposal to delineate new reforestation parcels. If secured, the contract would be signed with the provincial government of Napo. ASOCOSAKAWA's participation in this bidding process represents concrete progress by Wamaní's youth leaders to realize their vision of promoting sustainable natural resource management in Hatun Sumaku.
- The organization Green Destinations selected the Community Sani Isla—Laguna Chahuacocha—as one of the world's top 100 green destinations. This recognition is the result of joint efforts of several projects, including ICAA and ICAA 2, which have consolidated local capacities for sustainable, responsible tourism, and enhanced the market visibility and positioning of Sani Isla's tourism offering.
- SL trained 562 coffee and cocoa producers located in the Megantoni National Sanctuary buffer zone on BMP implementation. Topics included improved pruning techniques, application of soil covers and organic fertilizers, and low-cost, low-input wastewater treatment systems. Implementation of these and other BMP embodied in the SAN Standard promotes biodiversity conservation in the sanctuary through enhancing productivity on existing lands, thus reducing pressures for forest clearance.
- Together with the NCs of Sonene, PR and TI, SL established agroforestry demonstration parcels to further promote land-use diversification and improve food security, thus enriching SL's integrated management approach.

*To improve capacity for NRM and access to government and other conservation and development programs:*

- Work has been initiated with two Small Grants Program projects in Ecuador. In Limoncocha, improved cooking utensils, a refrigerator and infrastructure for wastewater treatment will strengthen the capacity of the Pusara cabins. Women in the Sani Warimi Association will improve their handicraft business by acquiring furniture for product display and design and printing of labels and adhesives.

### **2.1.2 IR2 - Key Elements of Natural Resources Governance Functioning in Critical Landscapes**

*Line of action 2 - Promote the application of territorial conflict management mechanisms*

- Together with members of the communities of Tres Islas and Infierno and in response to requests from these communities, SL set up signs delineating boundaries between communal lands and neighboring farmers. This delineation clarifies community boundaries in critical zones of high potential threat for invasion, contributing to reduce external invasions into their lands and minimizing land-use conflicts between the communities and neighboring producers. These measures enhance the viability of respecting community boundaries and build upon gains made in prior years to strengthen native community governance.

*Line of action 3 - Develop capacities of authorities and indigenous peoples in the comprehension and management of mechanisms for land regularization, environmental rights and indigenous rights*

- At the request of the NC of Sonene, SL is supporting the establishment of a Control and Vigilance committee. Committee members have been identified and training initiated. Operationalizing the committee will strengthen Sonene's ability to ensure that management plans completed with SL are respected and implemented, as well as reduce invasions into their communal territory. Sonene decided to establish a Control and Vigilance committee after seeing the value Palma Real and Infierno have derived from this mechanism.

*Lines of action 5 and 6 - Build capacity of civil society and indigenous organizations to influence the environmental decision-making and providing access and dissemination of environmental and natural resources information.*

- To regulate the exploitation of fishery resources in the Limoncocha lagoon in the RBL and ensure their sustainable use, SL is facilitating an agreement between ASOKIL (The Association of Indigenous Kichwas of Limoncocha, which includes members of the communities of Limoncocha, Santa Elena, Rio Jivino and Itaya) and RBL. The agreement will define common standards of conduct, sustainable fishing practices, limit fishing to subsistence activities and prohibit commercial exploitation, and include seasonal closures.
- Two members of the ASOCOSAKAWA youth leadership group participated in a forest legality, traceability and certification workshop with participants from MAE, MAGAP and forest products businesses such as Conglomerados Cotopaxi, Reybandbac, Novopan and Codesa, amongst others. Youth participants shared their experiences implementing the MAGAP Commercial Reforestation Incentives Program in Wamaní, advocating for their needs to national government agencies and actively contributing to the definition of indicators and criteria under consideration for obtaining certification for forestry plantations and timber traceability in Ecuador.
- SL strengthened the multi-stakeholder representation of the Coffee and Cocoa Technical Roundtable, by facilitating the inclusion of a range of new organizations. These are: 1 producer organization (Asociación de Productores CAPACY), 1 local farmer federation (FEPCACY) and 4 cooperatives (Maranura, Chaco Huayanay, Alto Urubamba and Machu Picchu). The inclusion of these groups further enhances the ability of local producers and communities to engage in policy dialogue and advocate for conditions promoting BMP implementation based on their needs and realities.
- The community of Boca Pariamanu approved its mechanism for distributing forest harvest quotas through a participatory and equitable process. The distribution was defined in part as a function of the timber management plan and its corresponding participation commitments and compliance with the Annual Operating Plan for participating families. The approval represents an important landmark for the community: in the past, this process was done with little transparency and participation, resulting in inequitable distributions and generating internal governance conflicts.
- With technical assistance from SL, AFIMAD and its member communities of TI, BP, PA, PR and Sonene developed and approved their 2015 plan of activities and work priorities. As part of this process, AFIMAD completed a detailed and participatory accounting of benefits distribution resulting from sales of Fair Trade certified Brazil nuts. This important process reinforced natural resource governance amongst the association and maintains confidence amongst its community partners.

### **2.1.3 IR3 – Increased Capacity to Utilize Payment for Environmental Services (PES)-like and other Economic Incentive Programs**

- The Wamaní community prepared and presented to MAGAP its application to include 40 additional hectares in the Commercial Reforestation Incentives Program, as well as formalize the 10 hectares planted in 2014. In total, 29 families will benefit economically from accessing the incentives program. SL supported the community in preparing the application materials. This participatory process built community capacity, experience and familiarity with MAGAP application submission requirements. This will enable the community to prepare its own applications to MAGAP in future years as it includes new areas for reforestation and increases the number of beneficiary families.
- With roughly 5,600 USD in resources secured from Condor Travel as part of the agency's agreement to finance REDD+ activities in the RNTAMB, PR is developing basic infrastructure (i.e. entrance stairs, bathrooms, a visitor lounge and paths) required to implement the community tourism strategy.
- SL increased the price premium received for Fair Trade Brazil nut sales, through moderating discussions between AFIMAD and CANDELA PERU and supporting communities in completing analyses required to justify increased prices. The premium was increased by 50% versus last year's commercial harvest prices (1 sol to 1.50 soles per Kg). AFIMAD anticipates selling 64 tons this year, which would translate into approximately S/32,000 in additional economic benefit.
- SL, together with ASCART and AGROBANCO representatives, agreed to a reduction of interest rate repayment terms from 12% (annual interest) last year to 7% for this year. This interest rate reduction benefits 56 ASCART members.
- For the first time, TI sold value-added timber products. The community sold 1,226 square feet of sawn wood slats (*tablillas*) for a value of 3,800 soles. The sales are the combined result of TI's application of its timber management plan and Annual Operating Plans, capacity building on value-added processing, and identification of a local buyer in Madre de Dios interested in progressively increasing purchasing volumes. This first-ever sale by TI demonstrated to the community the potential of sustainable timber harvesting and value added processing to enhance economic incomes while reducing timber extraction volume.
- SL facilitated community access to finance to promote sustainable management and conservation objectives in the following ways:
  - Over 45,000 USD secured via AGROBANCO to promote Brazil nut harvesting activities amongst four native communities (Sonene, Tres Islas, Palma Real, Boca Pariamanu).
  - 5,600 USD secured from CONDOR travel, to promote community tourism in Palma Real.

#### **2.1.4 IR4 – Greater Understanding and Solutions for Key Environmental Issues**

SL advanced its Landscape Analysis case study by concluding a fragmentation analysis as another primary input to the decision-support-system (DSS) that will be concluded in the upcoming quarter. Study results are summarized below.

- In Ecuador, the study included 14,960.48 ha of Hatun Sumaco parish in Napo province. The main land uses are agricultural and livestock mosaics, with naranjilla (*Solanum Quitoense*) as the main commercial crop in the area. For consumption, the main crops are maize, cassava, pineapple, banana, beans and Chinese potatoes produced in a multi-crop farm known as chakra. The predominant category is forest with nearly 84% of the surface of the study area. The largest categories after forest are pasture (5.84%), areas with herbaceous and/or woody vegetation with 4.60%, and land cleared for agricultural purposes with 2.79%.
- In Peru the 18,569.31 ha area is located within the District of Echarati, Department of Cusco between Ivochote and Pangoa. The main activities are the cultivation and production of cocoa, coffee and citrus fruits. The predominant category is forest with 53.33% of the surface of the study area. 15.67% is dedicated to miscellaneous agricultural production and another 9.90% to permanent crops such as coffee and cocoa. Other category areas were water (mainly rivers) occupying 3.01%, 2.74% grassland, pasture (2.20%) and fallow (1.10%).

This detailed land-stratification and fragmentation analyses provides a critical data layer for local governments to understand land-use change dynamics within their jurisdictions.

## **2.2 CROSS-CUTTING THEMES AND USAID KEY ISSUES**

### **2.2.1 Improve Policies and Policy Implementation**

- The Ministry of Environment (MAE) independently completed evaluations of 11 RPFC tourism service providers using the SL-developed Tourism Operations Manual: 8 providers surpassed the requirements to obtain the annual operating license. MAE's independent inspections—and the high marks obtained by local operators—are indicative of the potential for long-term adoption of the tool, and high rates of compliance with required BMP by local lodges.
- To support the organizational strengthening of HS, training workshops were conducted for 14 members of the 7 communities to address knowledge gaps in procedures such as land tenure and forest regulations, achieving a better understanding of the related processes and their application. The communities are working to conclude land titling, initiate forest management and ensure access to SocioBosque and MAGAP incentives programs; these workshops and the practical trainings received are designed to facilitate and reinforce the communities' work around land tenure and access to incentives.
- SL strengthened the capacities of the RNTAMP leadership to monitor implementation of the regulations established in its Brazil nut management plan, by training RNTAMP technical staff on the application and verification of compliance with the management plan, as well as training to concessionaires to improve their compliance.



- In alliance with FENAMAD, SL engaged the Regional Forestry Authority to eliminate their policy that required 100% Harvesting Rights advance payment, which required full advance payment corresponding to timber and Brazil nut harvested under management plans. The policy was designed for private companies and not developed considering the needs and realities of native communities, for whom advance payments represent a serious barrier. As a result of SL and FENAMAD engagement, the policy was adapted to the benefit of Brazil nut harvesting communities and concessionaires, and the advance payment has been limited to the volume of Brazil nuts or wood that is actually transported off-site for processing and commercialization.

### **2.2.2 Increase Gender Awareness and Gender-related Program Outcomes**

At the project outset, SL, with support and guidance from the ICAA Support Unit, developed a Gender Action Plan to achieve equality between men and women in project intervention areas.

Advances against the SL Gender Action Plan in follow:

- Sani Lodge hired two women to support lodge operations. Their hiring is a first step towards changing perceptions around the role of women in tourism activities, and is representative of the new administration's efforts to enhance women's participation in productive activities.
- SocioBosque investment plans developed for the communities of Pucuno Chico and Sani Warmi prioritized community initiatives that considered the needs of men and women alike. For example, in Pucuno Chico, financial support was provided for male and female sports teams, and in Sani Isla, investment was allocated to the Sani Warmi women's handicrafts association, enabling them to promote their artisanal products by improving the crafts house, purchasing materials, and travel to market their products.
- In HS, women's participation in sustainable naranjilla activities has been enhanced by increasing their technical capacities and broadening their responsibilities in farm management. Upon initiating project activities women were largely absent from training and technical assistance work. However, women now represent over 42% of participants in workshops and Naranjilla Roundtable meetings. They have enhanced their knowledge and know how on key management issues including: improving sanitary conditions; sustainable natural resource management; and enhancing productivity. They also have heightened awareness of the economics of naranjilla production.

- With support from SL, the women's association of Sani Warmi developed statutes for self-governance, which they submitted to IEPS (*Instituto de Economía Popular y Solidaria*) for approval. Moreover, in alliance with Galería Ecuador, the association is creating a diverse new product line to differentiate their handicrafts and increase sales prices.
- Women's leadership in Brazil nut collection in indigenous communities has been redefined; they now are recognized as having harvesting rights and thus can access credit independently. As a result, of the 23 credits processed by AGROBANCO for Brazil nut collection, 9 (over 39%), were destined for women heads-of-household.
- In PR, the group of women handicrafts producers in Palma Real has been strengthened. SL facilitated their access to financing through funding from the SL Small Grants Program (SGP). SL has also facilitated their participation in commercial trade fairs, which have enabled them to improve their negotiation skills, refine their ability to set appropriate price-points for their handicrafts products, and establish commercial arrangements. Their enhanced capacities in handicrafts business skills are translating into the broader community as they are garnering growing recognition and respect in natural resource management decision-making.

### 2.2.3 Strengthening of Selected Regional Organizations and Institutions

SL built the capacities of a range of local, municipal and sub-national organizations and institutions for sustainable natural resource planning, governance and livelihoods. Advances follow below.

- SL strengthened the Naranjilla Roundtable through facilitating the design and approval of its 2015 Operational Plan, and continuously articulating the activities of Roundtable participants from local government agencies with the research, training and market-building needs of Hatun Sumaku producers. This latter is being accomplished through shared training activities as well as ensuring robust participation of parish producers in Roundtable meetings.
- SL strengthened **Cuzco's Coffee and Cocoa Technical Roundtable** by facilitating the inclusion of a range of new organizations, including 1 producer organization (Asociación de Productores CAPACY), 1 local farmer federation (FEPCACY) and 4 cooperatives (Maranura, Chaco Huayanay, Alto Urubamba and Machu Picchu). The inclusion of these groups further enhances the ability of local producers and communities to engage in policy dialogue and advocate for conditions promoting BMP implementation.
- In alliance with **SENAS** (The *Servicio Nacional de Sanidad Agraria*), SL trained 195 producers on control and management of pests and plagues in cacao production in the Lacco Yavero and Ivochote watersheds.

- SL and the **Municipalities of Quellouno and Echarati** have promoted adoption of BMP amongst agricultural producers. 400 producers have received training on pruning, soil conservation, fertilization regimes, productivity enhancements, wastewater treatment and other issues.
- With SL support, the regional producer organizations of **APECMU** (*Asociación de Productores Ecológicos del Medio Urubamba*) and **APA Pachiri** (*Asociación de Productores Agropecuarios Los Ángeles de Pachiri*) have implemented centralized management systems and processes for cocoa collection, fermentation and commercialization. Implementing these management systems is a key component of their broader efforts to strengthen their organizational governance and business processes.
- In alliance with various other partners, SL has enabled **AFIMAD** to improve its member coordination and access to financing for sustainable production activities, including through:
  - Securing non-reimbursable financing for an industrial processing facility for Brazil nut. The facility has been installed in the community of Tres Islas, to the benefit of 49 Brazil nut collectors. Funding was secured via JICA, in close collaboration with ACCA.
  - Articulating activities with AFIMAD, CESVI and ACCA to define a shared 2015 Brazil nut harvesting plan. The combined plan enhances coordination and maximizes synergies across all organizations that support AFIMAD in Brazil nut harvesting field activities.
  - Tailoring finance packages to suit the needs of Brazil nut producers by raising awareness on the differences between production dynamics in native communities vs concessions, and, as a function of these, supporting the definition of interest rates aligned with Brazil nut production cycles and harvesting volumes, amongst other issues. This was accomplished in close collaboration with AGROBANCO and CANDELA.

#### 2.2.4 Improve Region-wide Capacity for Conservation through Training

- SL improved the ability of Nature Guides to observe aquatic mammals in the RPFC and birds in the Yasuni National Park in a way that is respectful of flora and fauna, with the goal of sensitizing visitors to be aware of their impacts on park ecosystems.
- SL trained 34 members of communities engaged in tourism located in the buffer zone of Yasuni National Park on a range of best practices, including biodiversity conservation and incorporating energy efficient and low-emissions ‘clean technologies’ such as wastewater treatment, alternative energy supplies, solid waste treatments and others.
- The HS parish has strengthened its capacities in socio-organizational, productive and environmental topics through workshops and implementation of agreements on best management practices in pilot farms. In total 10 events were held and 100 individuals trained. Adequate solid waste management, integrated crop

management, reforestation activities and protection of areas of biological importance are already being demonstrated in pilot farms.

- The HS youth leadership group ASOCOSAKAWA increased its ability to utilize ArcGIS and geographical tools, manage tree nurseries, and engage in forest certification schemes through completing 3 trainings. Building these competencies improves ASOCOSAKAWA's service offering and expands its technical skill set, enhancing its ability to support sustainable natural resource management in its communities and deliver services requiring these skills.
- With SL technical inputs and facilitation, the Wamaní community developed and approved a control and surveillance system, a self-governance tool designed to halt deforestation and forest degradation, and ensure compliance with laws and regulations. Through this process, the community realized the importance of improving its capacity to monitor, intervene and engage with potential threats to the community ecosystems.

### **2.2.5 Increase Indigenous Peoples' Participation**

- SL facilitated the participation of representatives of the 7 indigenous communities of HS in Naranjilla Roundtable sessions, enabling them to share their needs and interact with institutional actors such as local representatives of MAGAP, ARCSA and the Provincial Government of Napo. This community participation offered opportunities to position local priorities favorably in the agenda of institutional actors, as well as help them raise awareness amongst their communities of the shared desire to support BMP implementation on their farms.
- 58 members of HS communities and local government representatives received training in sustainable timber harvesting, including administrative and legal processes, which raised the awareness of the importance of following the procedures to obtain legal wood and obtain authorization from MAE for this activity.
- Four representatives of the NCs of Sonene, Infierno and PR participated in the design of the Master Plan for Bahuaja Sonene National Park. Prior to their involvement, SL provided training and information to support their effective engagement and participation.
- Together with AGROBANCO, SL facilitated the communities of Tres Islas, Puerto Arturo, Palma Real and Sonene to complete applications for "Programa 14" financial packages, a component of Peru's broader policy agenda of increasing financing to field activities. In Madre de Dios, a particular focus is given to Brazil nut harvesting. The four communities submitted applications for

this activity, which would benefit 86 community members. This represents the first time native communities in Madre de Dios have accessed Programa 14.

- SL's participatory process of developing statutes and internal regulations to govern natural resource management in MDD is building local capacity in native communities (TI, PR, Sonene, Infierno) to develop such documents; offering the opportunity to more independently update these governance documents as the needs may arise in the future. The timely and independent development of these governance mechanisms within the community is a critical need, as the inability to do so in the past has resulted in significant delays in compliance with legal requirements and challenged effective internal governance.

### **2.2.6 Climate Change – Adaptation**

As noted in prior reports, SL's integrated approach which includes: i) strengthening community governance and NRM management structures; ii) diversifying production; iii) enhancing revenues; and iv) implementation of sustainable land management practices that conserve natural resources, contributes positively to building resiliency and adaptive capacity of local ecosystems, native communities and producer associations to climate variability. Specific examples of SL achievements that support adaptation objectives include:

- Implementation of new technologies and practices to build resiliency and reduce risks to climate shocks amongst smallholder coffee and cocoa producers in Cuzco, such as:
  - Application of production and use of liquid organic fertilizers (DRENCH methodology). The method reduces costs for producers, as well as reducing nitrous oxide emissions levels. 11 producers have already replicated the methodology in their farms;
  - Low-cost wastewater treatment systems, which reduce methane emissions and environmental contamination from unmanaged waste; and,
  - Establishment of homemade compost using organic waste; amongst others.

204 producers have been trained on implementation of these practices.

- In 11 households in Echarati and Quellouno, 64 hectares of roya-resistant coffee varieties have been established, to pilot the potential of renovating and recovering affected coffee lands, by re-planting on previously utilized production areas.
- Similarly, in Hatun Sumaku, naranjilla producers have received training and are in various stages of implementation of the following practices to advance adaptation objectives:

- Participatory land-use planning to orient future agricultural activity and avoid planting on vulnerable areas. For example, producers avoid planting on steep slopes, which risk production losses due to heavy rains or landslides.
- Development of homemade compost using organic wastes, which can reduce costs and vulnerability to synthetic chemical compounds.
- In the RPFC, 13 lodges have implemented systems of wastewater treatment that reduce energy consumption and enhance water quality in the sensitive aquatic ecosystems of the RPFC.
- In Echarati, SL has trained 35 staff of the environmental and economic development units of the municipal government on climate change adaptation and mitigation BMPs and opportunities to apply these to safeguard and improve coffee and cocoa production.

### **2.2.7 Climate Change (REDD+, Sustainable Landscapes)**

As noted in prior reports, SL strategies are designed to mitigate threats to biodiversity and habitat loss caused by land use change and wholesale deforestation in project landscapes; this has a high correlation to climate change mitigation outcomes, particularly REDD+, a mechanism which seeks to reduce emissions from deforestation and forest degradation. Specific examples of how SL contributed to REDD+ & Sustainable Landscapes objectives include:

- In the Parish of Hatun Sumaku:
  - Over 1,800 ha of forestlands are conserved through existing access to the SocioBosque program, with more ha planned (pending resolution of land titling challenges – see “challenges section”);
  - 4,183 ha of forestlands are zoned for sustainable forest management within the parish;
  - Over 51 ha of degraded lands are zoned for implementation of the MAGAP Commercial Reforestation Incentives Program, which would enhance carbon stocks in degraded lands and alleviate pressures for further forest conversion;
  - In each communities’ Integrated Management Plan, naranjilla and other agricultural production activities are directed towards degraded lands and away from primary forest conversion; this has recently been reinforced in the Community of Wamani’s approved control and vigilance system;
  - Naranjilla production is being managed to reduce emissions, through replacement of chemical agricultural inputs with organic fertilizers that reutilize organic wastes.

- Over 9,600 ha of forestland is under conservation through the SocioBosque program in the community of Sani Isla.

In Cuzco, SL is promoting restoration and replanting of coffee on existing degraded lands instead of through clearing new forests; enhancing productivity on existing plots; and promoting alternatives to land-preparation instead of burning – a common practice in the region. In addition to these interventions, implementing the BMPs of the SAN Standard – in particular regarding prohibitions on deforestation – further contributes to reducing deforestation and forest degradation.

## **8. SUMMARY**

### **8.1 Achievements:**

- The Community Sani Isla—Laguna Chalhucocha—was nominated and selected as one of the world’s top 100 green destinations by the organization Green Destinations. This recognition the result of joint efforts of several projects, including ICAA and ICAA 2, which have consolidated local capacities for sustainable, responsible tourism, and enhanced the market visibility and positioning of Sani Isla’s tourism offering.
- Two important ‘firsts’ have been achieved to promote sustainable forest management within native communities in Madre de Dios:
  - Four native communities accessed the ‘Programa 14’ credit program, for Brazil nut harvesting activities, and
  - Tres Islas completed its first-ever sale of value-added timber products.

### **8.2 Challenges and Adjustments:**

- SL may end before land tenure is legalized in the Hatun Sumaco parish due to a protracted approval process and lack of understanding of requirements from new provincial MAE authorities. We continue to seek resolution with the authorities however cannot consolidate access to SB or other incentives programs until this is resolved.
- The new administration in MDD has shown no interest in defining tourism conservation areas within the buffer zone of the Tambopata National Reserve. SL is adapting work accordingly.
- As communicated previously, despite efforts, SL has been unable to secure the full level of cost-share anticipated for the Small Grants Program. We are implementing the program with available resources and hope to define with USAID how best to resolve this issue.

## **9. Annexes**

### **9.1 Annex A – List of Acronyms**

### **9.2 Annex B – Maps (Indicators 1 and 2)**

## **10. Implementation details**

### **10.1 TABLE 1. Targets and Achievements Table – ICAA-wide Indicators.**

### **10.3 TABLE 3. Targets and Achievements Table – Partner Indicators**

### **10.4 TABLE 4. Activity Description**